

US EXECUTIVE APPROVAL FORM

Midmark Corporation

HQAPP Requests:

Privileged Material Redacted

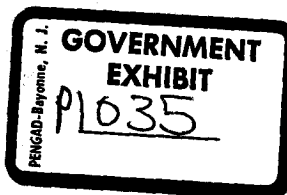
TIER 2/3 Requests:

1. Audit- agree to not audit a customer more than once per year
2. Audit- agree that audit will not unreasonably interfere with business activities

Items below approved by HQAPP on 14-April-2003:

HQAPP Requests:

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TIER 1 Requests:

1. **Technical Support Cap:** Cap support at a 0% increase for years 2 & 3.

TIER 2/3 Requests:

Privileged Material Redacted

5. Include Segmentation Language (Sales Rep approval)
 6. Net 45 payment terms (requires Credit approval also)
 7. Add Source Code Escrow provision
 8. Functionally Equivalent Support provision (2 years)
 9. Lower Minimum purchase on price hold from \$50k to \$10k
 10. Extend price hold from 18 months to 24 months
 11. Two year Term OLSA to match price hold term
 12. **Assignment:** Oracle can add the following language. "Assignment. Upon advance written notice to Oracle and provided that you have continuously maintained Software Updates, you may assign your rights under this ordering document to an entity that is either (a) acquiring all or substantially all of your assets and assuming all liabilities related to such assets or (b) acquiring the division, business unit or operation of yours which uses Oracle software programs and assuming the liabilities of such division, business unit or operation. Additionally, the assignee must agree in writing to the terms and conditions of this ordering document and the license agreement."
10. Include the following items on the price hold
 - a. Oracle 9i Database Enterprise Edition –Named User Plus
 - b. Oracle 9iAS Enterprise Edition –Named User Plus
 - c. Oracle 9iAS Standard Edition –Named User Plus
 - d. Tuning Pack –Named User Plus
 - e. Change Management Pack –Named User Plus
 - f. Diagnostic Pack –Named User Plus
 - g. Message Broker –Named User Plus
 - h. TopLink –Named User Plus
 - i. Personalization –Named User Plus
 - j. Express Server –Named User Plus

11. A: Add the following items to the 24 month price hold at the 54.92% Blended Discount:

- a. Partitioning –Processor
- b. OLAP –Processor
- c. Advanced Security –Processor
- d. Label Security –Processor
- e. Wireless Option –Processor
- f. Collaboration Suite –Named User Plus
- g. Files –Named User Plus
- h. Email –Named User Plus

11B: Add the following items to the 24 month price hold at the 52%% Application Discount:

- i. Oracle Transportation –Order Lines (March 7th Price List)

12. Lower Minimum Purchase off price hold to 10k net license fees.

Controlled Availability Approvals:

1. Clive Swan – Time and Labor
2. D.J. Chhabra - iRecruitment

SECTION II – Deal Summary:

Deal Summary		
Programs	Technology	Applications
	Oracle 9i EE	Professional User
	Diagnostic Pack	Professional User (External Usage)
	Tuning Pack	Employee User
	Change Management Pack	Non Employee User
	9iAS EE	Electronic Orders
	Internet Developer Suite	Payroll
	Discoverer Desktop Edition	Time & Labor
	Programmer	IRecruitment
		Advanced Supply Chain Planning
		Demand Planning
License Discount	Applications: 53% (ebiz + 28%) –Please draft at 48% (ebiz + 20) Technology: 65% (ebiz + 37%) –Please draft at 60% (ebiz + 35)	
Support Discount	Applications: 53% (ebiz + 28%) –Please draft at 48% (ebiz + 20) Technology: 65% (ebiz + 37%) –Please draft at 60% (ebiz + 35)	
Support Options/Holds	Flat Line support years 2 and 3.	
Price Holds	Price Hold 18 months minimum purchase of 50k>. Include the following items not on the price list: <ul style="list-style-type: none"> • Global Order Promising • Constraint Based Optimization • Inventory Optimization • Tutor for Applications • Self-Service Tutor for Applications • Sourcing • Supply Chain Intelligence 	
List License	\$2,194,375	
List Support	\$482,762	
Net License	\$1,089,475	
Net Support	\$239,684	
Net Total Price	\$1,329,159	

Price List Used	07-MAR-2003
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Justification:

These are the final items before signatures.

This is a competitive ERP deal against PeopleSoft. The Midmark IT group is biased towards a Microsoft SQL Server platform. We have overcome initial hurdles and have been selected as preferred vendor but PeopleSoft and Microsoft pricing is still a major concern. The PeopleSoft/ SQL Server option is viewed as a solution that could work for their business and their pricing model is less complex and less expensive than Oracle.

This is a highly competitive situation vs Peoplesoft. Net license on apps = \$917k, \$172k on tech. Requesting a 53% discount on apps and 60% on tech worst case. We are in sync with the tech team on pricing as this is an exclusive Microsoft shop and we were almost eliminated from apps consideration from the start due to their sensitivity to Oracle DB pricing. Our per processor list price on the database and app server is twice as expensive as Microsoft SQL Server. In order to compete for the overall ERP deal in what has been clearly identified as a hostile tech environment, we had to at least be in the same ballpark as to what PeopleSoft was presenting with a Microsoft/SQL Server pricing model.

Recommendation:

Comments above to the latest in bold. Two items I'm concerned with. Unreasonably withheld on the subs/affiliates. They want a suggestion, but if these are minority, we need to right to review for competition and parent. Too many criteria to list. Other issue is the audit clause. It's not just a user count audit. We ship our entire CD and they can install things they are not licensed for.

Submitted By: Bob DelCimmuto ASM/ Craig Tate AVP

R: 05/26/03

C: 05/26/03

L: 05/26/03

A: 05/26/03

BP: swong